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Botha Attacks U.S. Vote House Approval Of Sanctions Is Called 'Reckless'

JOHANNESBURG — President Pieter W. Botha attacked the "recklessness" of the U.S. House of Representatives on Friday for approving a measure that would impose stringent economic sanctions against South Africa...



Wrath in Hollywood Over U.S. Release of a Film on Jesus Up to 25,000 demonstrators blocking traffic at Universal Studios in Hollywood to protest the opening in nine U.S. cities on Friday of a film, "The Last Temptation of Christ." Fundamentalist Christians and others have objected that the director, Martin Scorsese, portrays Jesus blasphemously...

Burmese Leader Stepping Down; No Successor Is Announced

By Seth Mydans New York Times Service BANGKOK — The Burmese leader, U Sein Lwin, resigned from all his government posts on Friday after tumultuous anti-government protests...

Republicans Will Gather in a Faded Showplace

By Peter Applebome New York Times Service NEW ORLEANS — Under any circumstances, this steamy port town, with its rich ethnic mix, persistent poverty and sensuous blend of charm and decadence, appears to be an odd place for the conservative proselytizing of the Republican National Convention...

There was no indication of the forces behind U Sein Lwin's resignation, which came after protests and rioting spread through the country. Scores, and possibly hundreds, of protesters have been shot and killed by soldiers...

It would be ironic if Resolution 435 should reach the point of implementation only to be obstructed, or made impossible, as a result of the provisions to American legislation which impose extensive restrictions...

The measure approved by the House of Representatives would impose sanctions against South Africa because of apartheid. The measures include a requirement that U.S. companies, institutions and...

Soviets Accuse U.S. Nuclear Experts

By R. Jeffrey Smith Washington Post Service WASHINGTON — Members of a U.S. observer team stationed at the Soviet Union's principal nuclear test site were recently apprehended trying to send prohibited, militarily sensitive materials to the United States, according to officials here...



THE HEAT IS ON — Riot policemen dodging flames from students' firebombs at Konkuk University in Seoul on Friday. Hundreds of students were detained across the country. Meanwhile, the United States has reportedly agreed with South Korea that the U.S. military base in central Seoul should be moved outside the capital to make way for further city development. Page 2.

Klosk Thornburgh Is Sworn In

WASHINGTON (AP) — After easily winning Senate confirmation this week, Richard L. Thornburgh, the former governor of Pennsylvania, was sworn in Friday as U.S. attorney general. He promised to "make drug trafficking and drug abuse Public Enemy No. 1."

British Soldier Shot

BRUSSELS (Reuters) — A British soldier was shot and killed in the Belgian port of Ostend on Friday night, the police in the nearby city of Bruges said. The British Embassy said earlier that it was checking reports that two men had shot and killed a soldier as he drove through Ostend.

General News

Australia is seeking a consensus to keep chemical weapons out of the region. Page 2. NATO members say they are committed to an "equitable sharing" of costs. Page 5.

'America the Miserable?' Nyet Technology Show Stuns Soviets Raised on Propaganda

By Bill Keller New York Times Service MAGNITOGORSK, U.S.S.R. — Lilya and Andrei Markiev, 26-year-old newlyweds, thought they knew something about America. Even out here, 900 miles from Moscow, they do watch television and read the newspapers, for heaven's sake!

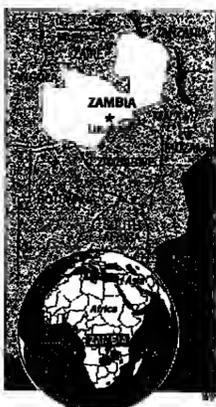
This Is Brazil's Forest Primeval: The Man-Made Fires Rage

By Marlise Simons New York Times Service SAO JOSE DOS CAMPOS, Brazil — Like eerie ghosts of the trees and animals dying below, thick clouds of smoke are rising over the rain forest as the man-made fires of the annual dry season are once again upon the Amazon. On some days, fires rage in thousands of places across the vast Amazon basin, following a broad belt where settlers and farmers are beating back the jungle frontier...

MONDAY A full week of news from the Republican National Convention in New Orleans begins to Monday's Trial.

Vertical sidebar containing various advertisements and notices, including 'HOTELS', 'ARTS', and 'FOR MORE CLASSIFIEDS'.

Asian Minority Faces Discrimination in Struggling Zambia



By Blaine Harden
Washington Post Service

LUSAKA, Zambia — Paramilitary troops pushed into the clothing shop in central Lusaka at 8 o'clock on a Saturday morning. Enforcing a law that parliament had passed only the night before, they confiscated \$128,000 worth of fabric and garments. Soldiers then demanded keys to the business that the store owner, a Zambian citizen of Indian descent, had spent 20 years building. The shop was seized in the name of "public security."

That occurred six months ago, in a government crackdown on people thought to be dealing in the black market. Since then, no charges have been brought against the shopkeeper, either for selling goods on the black market or for illegal currency deals.

The sign above his shop, however, has been painted over. A government agency is renovating the building. Without any compensation, authorities in Zambia have taken away his livelihood.

"Everybody knows we are just scapegoats," said the merchant. "This country is going through severe economic strain. To make the people forget about their problems, the government goes after Asians."

The dispossession this year of 187 Zambian merchants, almost all of Indian or Pakistani descent, is a symptom of this nation's long and fevered descent into economic infirmity.

Sumbling through a decade of negative economic growth and struggling to sustain its seven million people to a faltering standard of living, the government of Zambia has tried several cures.

In the early 1980s, the nation turned to the International Monetary Fund. In return for huge loans, Zambia was obliged to devalue its currency and reduce subsidies on staple foods.

This cure, however, proved unacceptable to the government. The loans could not be paid back; higher food prices provoked Zambians to riot, and there was widespread fear that the government of President Kenneth Kaunda would be toppled.

Last year, Mr. Kaunda tossed out the IMF

and said Zambia would cure itself. He revalued the country's currency and imposed new controls on prices. As the president explained, the cure would supply basic commodities to poor people at affordable prices. But, as in every African country that tries to control prices, a black market blossomed, and staple foods disappeared from government shops. Zambians became restive. Another cure was needed.

In late February, Mr. Kaunda pressed the country's National Assembly to enact a law

who bolted for South Africa or Europe, most Asians stayed.

With their expertise in retail and wholesale trade, they were vital to the growth of infant countries starved for entrepreneurial know-how. Yet Asians represented less than 1 percent of the population of any nation in East Africa. They were then, and are now, relatively affluent, highly visible and politically vulnerable.

Asians are resented by many blacks in East Africa, both for their wealth and for

and seized some Asian-owned buildings in the late 1960s. The move panicked thousands of Asians, who moved to Britain and Canada.

Until this year, Zambia was a notable exception in this region because it avoided the region's habit of bashing Asians. Before the raids six months ago, the country's 8,000 Asians, most of whom are involved with retail trade, had not had property confiscated and had not been singled out in periods of social unrest.

A primary reason for this tolerance, according to Asian lawyers in Lusaka, is the character of Mr. Kaunda. The president, who says his philosophy of governance is based on Christian principles, insists that racial discrimination does not exist in Zambia. For many years, that was true.

"We have a deep respect for the president," said an Asian lawyer in Zambia, who represents several shopkeepers whose property was seized in the raids. But the longstanding confidence in Mr. Kaunda's character made the raids in February all the more shocking.

According to officials at the British, Canadian and Australian embassies in Lusaka, requests for immigration applications have risen sharply since the raids.

"When an Indian family leaves, slowly all the relatives leave," a diplomat said, adding that the effect of the departures on Zambia's ailing economy was likely to be severe.

In a recent press conference, Mr. Kaunda acknowledged for the first time that his government "made a mistake" in seizing the shops of some Asians.

"There were some people whose shops were taken over by error of our analysis by officers on the spot," Mr. Kaunda said, adding that these shops would be returned.

In an interview in July, Mr. Kaunda said he would be sorry if more Asians leave Zambia. Yet he added that many Asians exploited the country without investing in it.

"There are many good Indians here who want to make Zambia their home," Mr. Kaunda said. "But if those who have got their money in London and their souls in New Delhi want to go, good riddance."

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An Asian merchant in Lusaka

allowing the seizure of businesses thought to be trading in the black market. The owners of businesses seized had no recourse through trials.

"We have been forced to do this to deal with the selfish minority of businessmen," Mr. Kaunda said at the time. "Because we must protect the silent majority."

In much of eastern and southern Africa, it is taken for granted that when a political leader refers to "selfish businessmen," he means Asians. That is what people of Indian and Pakistani descent are called in this part of the world.

Near the turn of the century, British colonial governments brought large numbers of indentured laborers to East Africa from the Indian subcontinent. They soon were followed by tens of thousands of small-scale merchants.

As East Africa developed, Asian shopkeepers came to occupy an economic and social niche that was well below that of white colonialists, but far above that of black Africans.

When independence came to the region in the early 1960s, there were about 360,000 Asians in East Africa. Unlike many whites,

their racial insularity. Inter-marriage between Africans and Asians is rare. In most of the capitals of East Africa, clubs, neighborhoods and business districts controlled by Asians are a constant reminder to poor Africans of the presence of a racial minority that is economically privileged.

For these reasons, victimizing Asians has become a standard tactic of many an embattled East African leader trying to shore up popular support.

Idi Amin, worried about coup plotters and anxious to divert attention from his incompetence and savagery, ordered about 50,000 Asians out of Uganda in 1972.

In Kenya, during an abortive coup attempt in 1982, looters largely ignored African shops and zeroed in on the country's 80,000 Asians. Attacks on Asian stores, homes and women were reported at the time.

It is estimated that \$100 million worth of goods and property were stolen or destroyed. In that troubled year, President Daniel arap Moi of Kenya accused Asians of involvement "in almost all social evils in the country."

In Tanzania, the socialist government of Julius K. Nyerere nationalized private shops

Bishops in Both Chile and Haiti React

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TRAVEL UPDATE

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A 10-day strike by port employees in Athens in demand of wage rises began Friday, affecting operations at eight major Greek ports, a union spokesman said. The strike, which a court has declared illegal, will not affect tourist and passenger ships.

Yugoslav air controllers are scheduled to go on strike Sept. 10 to protest low wages, the press reported Friday. The controllers are also demanding improved working conditions and higher safety standards for traffic over Yugoslavia.

Bulgarian authorities have barred vacationers from a beach in the popular Black Sea resort of Burgas after it was swamped by an oil slick. Burgas is crowded with tourists from East and West Europe. Authorities hope to reopen the beach Saturday.

Israeli Soldiers Kill Palestinian In the Gaza Strip

The Associated Press

JERUSALEM — Israeli troops killed one man and wounded another on Friday after three Palestinians wounding soldiers, clubs and an ax attacked the soldiers' patrol in the Gaza Strip, authorities said.

The clash took place in the Mughazi refugee district, an army spokesman said. He said the dead man, Riad Suleiman Abu Mandil, 23, had participated in anti-Israeli protests and attacks on soldiers in the past.

Israeli military officials said the soldiers apparently caught the Arabs by surprise as they were painting anti-Israeli slogans on walls.

Australia Holding Chemical Arms Talks

By Michael Richardson
International Herald Tribune

MELBOURNE — Australia is seeking a consensus among nations in Asia and the South Pacific to keep chemical weapons out of the region.

The move follows an assessment by U.S. intelligence sources that some countries in the region already may be producing such weapons.

A Foreign Ministry official said Australia hopes that "all regional countries, whatever their differences over other issues, will see their common interest in making sure chemical weapons do not proliferate in the region."

Officials said Australia recently started talks with several governments on its proposal for a regional consensus, but officials declined to name the countries, saying that the talks had only just started.

"In an assessment provided in March to the Armed Services Committee of the U.S. House of Representatives, Rear Admiral William O. Studeman, director of U.S. naval intelligence, said that China, Taiwan, North Korea, Vietnam and Burma already had started to develop 'chemical warfare capability.' The testimony received little media attention.

Max L. Friedersdorf, the chief U.S. representative at negotiations in Geneva to ban chemical and

biological weapons, warned recently that "events in the past few years make clear that the greatest risk of the use of chemical weapons lies outside Europe, as demonstrated in the Middle East."

Officials in Canberra emphasized that the Australian plan was intended to increase support among nations in Southeast Asia and the South Pacific for the negotiations in Geneva on a comprehensive and verifiable worldwide ban on chemical weapons. The only nations in the region taking part in the 40-nation talks in Geneva are Australia, Indonesia and Burma.

Australia has played an active role in the Geneva negotiations. It chairs a group of experts from 19 industrialized nations and the European Commission that regulate and monitor international trade in chemicals that could be used to manufacture chemical arms.

Australia's concern over chemical weapons has been prompted by reports about the extensive use of nerve gas and chemical agents in the conflict between Iran and Iraq. The use of such agents in the conflict points to the relative ease with which Third World countries can gain access to materials and technology needed to make such weapons.

A report earlier this year by the International Institute for Strategic Studies said the weapons are within reach of any country that has a commercial chemical industry.

An Australian scientist was a member of the United Nations team that reported the use of chemical weapons in the Gulf War. The chemicals used include tabun, a nerve agent invented by Germany before World War II; mustard gas, which was first used in World War I; and cyanide.

More than 100 countries, including Iraq, have agreed to the Geneva Protocol of 1925, which bans the use in battle of chemical and biological weapons. But the Stockholm International Peace Research Institute estimated that chemical weapons have been used in 11 conflicts in addition to the Gulf War. Many of the protocol's signatories

South Korea and U.S. Said to Agree On Shift of Military Sites in Seoul

The Associated Press

SEOUL — The United States and South Korea have agreed in principle to move U.S. military installations from the center of the capital to help ease anti-American sentiment, government officials said Friday.

About 42,000 U.S. troops are stationed in South Korea under a mutual defense treaty signed in 1954. Their commanding headquarters are in the center of Seoul.

The military compound in Seoul, occupying 699 acres (283 hectares) of land, is the home of the headquarters of U.S. Forces, the Eighth U.S. Army, the Combined Repub-

lic of Korea-U.S. Forces Command and the U.S. Naval Headquarters in South Korea.

Also inside the compound are housing for some U.S. diplomats and military staff, an army radio and television station and military schools and commissaries.

The number of military and civilian personnel living in the compound is estimated at 6,000, according to U.S. military officials in Seoul.

South Korea correspondents based in Washington said the U.S. government accepted the relocation on condition that South Korea take up all costs.

But South Korean officials maintain that the United States should also bear a responsible portion of the cost, the reports said.

The chief presidential spokesman, Lee Soo-jung, said senior officials from both countries had been discussing the matter since President Roh Tae-woo took office in February.

Mr. Roh raised the issue with the U.S. defense secretary, Frank C. Carlucci, and the secretary of state, George P. Shultz, when he met with them in Seoul in June and July, Mr. Lee said.

"The U.S. side agreed to consider the matter affirmatively, and there have been a series of high and working-level talks between the two countries," he said.

ODD: Stagnant Economy Makes New Orleans Shaky Site for Republicans

(Continued from Page 1)

Though the world's faire was an economic debacle, it left the city with a riverfront mall, work on which is now part of a \$600 million redevelopment effort. Nearby warehouses are being turned into apartment buildings. The overall purpose is to revitalize the historic, atmospheric downtown section.

But local business leaders admit that the overwhelming number of jobs created by tourism are menial jobs. And Mr. Logsdon says the push for tourism fits in with the city's sleepy tendencies, this time bringing in tourists for storage in pricey hotels before they fly out, instead of grain to be stored in cavernous warehouses before it was shipped out.

The danger is "real," Mr. Bush added, "and we have to get active now if we are to avert disaster."

After talks with officials in China last month, George P. Shultz, the U.S. secretary of state, said he had raised the issue of missile exports.

Australian officials noted that countries in Southeast Asia and the Pacific do not have the equipment to defend against chemical and biological weapons that NATO and Warsaw Pact forces have.

Mr. Spalatin said the testimony was part of a campaign by President Ronald Reagan to replace existing stocks of aging U.S. chemical weapons with binary shells and bombs. Binary weapons contain chemicals that are harmless when

separated, but form a lethal combination when they are released or fired.

Although the Reagan administration has said it wants binary weapons primarily to counter a modern Soviet arsenal, there is concern about the potential proliferation of chemical weapons in the Third World coupled with the ease of availability of missiles that could deliver them.

Vice President George Bush said in a speech Aug. 2 that states like Iran, Syria, Iraq and Libya are "working to develop the capacity to produce chemical arms, and to acquire or, in some cases, produce, the ballistic missiles to deliver them."

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CHURCH OF THE LIVING SAVIOUR, Geneva's International Pentecostal church, 20 Ave. Ernest-Riedel. Every week atmosphere of joy, joy, spiritual worship in English, 10:30 a.m. and 7 p.m. Tel. 447070 or 988380.

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INTERNATIONAL BAPTIST CHURCH OF HAMBURG meets at Ev. Freikirche/Gemeindehaus Chlosterstr. 18, Hamburg-Altena. Bible Study 1 p.m. - 2 p.m. Tel. (0) 4101-207923.

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WORLD BRIEFS

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BRUSSELS (AFP) — More than one in five scheduled airline flights in Europe took off more than 15 minutes late in June, and air control difficulties and airport overcrowding were increasingly to blame, the Association of European Airlines said Friday. "As far as we know, no major steps were taken in July and August" to reverse the trend, an agency spokesman said.

According to the association's figures, 78 percent of scheduled flights in June left within 15 minutes of their listed departure time, compared with 83 percent in June 1987 and 89 percent in June 1986. The deterioration coincided with a growth of 7.6 percent in overall European air traffic from January to June compared with the same period last year.

A 10-day strike by port employees in Athens in demand of wage rises began Friday, affecting operations at eight major Greek ports, a union spokesman said. The strike, which a court has declared illegal, will not affect tourist and passenger ships.

Yugoslav air controllers are scheduled to go on strike Sept. 10 to protest low wages, the press reported Friday. The controllers are also demanding improved working conditions and higher safety standards for traffic over Yugoslavia.

Bulgarian authorities have barred vacationers from a beach in the popular Black Sea resort of Burgas after it was swamped by an oil slick. Burgas is crowded with tourists from East and West Europe. Authorities hope to reopen the beach Saturday.

Vote Failure Issue of For Fall

By Susan F. Rasky
WASHINGTON

Vote Fails to Quiet Issue of Contra Aid For Fall Election

By Susan F. Rasky
New York Times Service

WASHINGTON — The angry words and bitter accusations of White House betrayal that filled the Senate chamber during the debate over aid to the Nicaraguan rebels clearly preface partisan confrontations on that issue through the November election.

For Democrats, who had hoped to produce a bipartisan consensus on aid to the rebels that might put the issue to rest in the weeks before the election, there was little to savor in their victory Wednesday.

The narrow 49-47 vote along party lines was a blunt message to Democrats that even the Republicans who share their views on the broader policy questions in Central America are not prepared to easily let them off the political hook for previously opposing help for the rebels. The vote Wednesday approved \$27 million for nonmilitary supplies for the rebels, or contras, opposing the Sandinista regime.

"Partly, it was a question of, do we want to give the Democrats credit," said Senator John S. McCain, Republican of Arizona, who strongly supported military aid to the contras and was a key player in negotiations with the Democrats.

Senator James A. McClure, Republican of Idaho, put his feelings about the Democrats more starkly. "We think they're responsible, and they ought to have the blame," he said.

For Republicans, who have decided to make military issues the core of their campaign, the vote was consistent with the line drawn by President Ronald Reagan last week with his veto of the military budget measure.

To have joined Democrats in support of an aid package that did not include weapons would have deprived Republicans of what they see as an opportunity to paint Governor Michael S. Dukakis of Massachusetts, the Democratic presidential nominee, as weak on military and foreign policy.

It would also have deprived them of the opportunity to exploit the political differences between Mr. Dukakis and his running mate, Senator Lloyd Bentsen of Texas, on arming the contras.

U.S. to Accelerate Airlines' Use of Tilt-Rotor Craft

United Press International

WASHINGTON — The Federal Aviation Administration signed an agreement with the military Friday that will allow the commercial use by 1995 of tilt-rotor aircraft, which fly like planes but take off and land like helicopters.

Under the agreement, the agency will participate in the testing of the military's V-22 Osprey to speed up the civil certification of the aircraft.

This will cut five years off the time it normally takes for military aircraft to be certified for civilian use and will open the way for airlines to fly tilt-rotor craft between downtown heliports in cities such as New York and Washington, said the agency's administrator, Allan T. McArthur.

Tilt-rotor craft are similar to a medium-sized propeller plane except that they have shorter wings, larger propellers and engines at the end of their wings that can rotate from straight ahead to straight up, giving them some of the characteristics of a helicopter.

Jean-Pierre Ponnelle, Operatic Director, Dies

By John Rockwell
New York Times Service

Jean-Pierre Ponnelle, 56, one of the most successful of present day operatic directors and designers, died Thursday in Munich.

His productions have been enjoyed around the world, from the Metropolitan in New York to the San Francisco Opera, from Paris to London and Milan to Vienna, from the Bayreuth Festival to the Salzburg Festival. His cycle of the Mozart operas with James Levine conducting has been a fixture at the Metropolitan and at Salzburg in recent seasons.

Mr. Ponnelle was one of the first stage designers to direct his own productions, a fusion that insured the unity and clarity of his work.

In New York, his work was generally greeted with reserve, although his Mozart productions for the Met received acceptable notices.

His version of Wagner's "Der Fliegende Holländer" in 1979, in which the action is seen as a dream of the Steersman, a minor character, was met with protest, as was his large-scale view of Massenet's "Manon" two seasons ago.

Elsewhere, Mr. Ponnelle's work

was often warmly greeted. Michael Walsh of Time magazine praised his 1981 staging of Wagner's "Titan und Isolde" at Bayreuth, calling it "exactly what is needed in keep the dead hand of tradition from strangling the vitality of music."

Mr. Ponnelle enjoyed a special success last summer with his production of Schoenberg's 12-tone opera "Moses und Aaron" at Salzburg — a production to be repeated there next week.

He was born in Paris. His father, a winner and music critic and a friend of Richard Strauss, moved the family from Burgundy to Baden-Baden, Germany, after the war, where the senior Ponnelle headed the radio in the French zone of occupation.

There his son studied music with Hans Rosbaud, the modernist conductor. Throughout the 1950s, he worked as a designer in opera, ballet and theater.

Other deaths:

Ernest St. John (Jack) Metz, 66, an opera coach and vocal adviser to the Los Angeles Music Center Opera, Tuesday of liver cancer in Burbank, California. He was mentor and companion to the Metropolitan soprano Leonia Mitchell.

Adrian Ionescu, the vice president of the Romanian press agency Agerpres, of an unspecified illness, Hungary's Communist Party paper, Nepszabadsag, said Friday.

Ann Ramsey, 59, the gravel-voiced actress who played Danny DeVito's snarling mother in last year's movie comedy "Throw Momma from the Train," Thursday of cancer in Los Angeles.



Vice President George Bush addressing members of the Coalition of Black Republicans in Washington. Surrounded by about 60 black supporters, Mr. Bush said Thursday that he would spend more time campaigning among blacks and that he would make it clear that his conservatism had nothing to do with racism. He spoke after meeting with the coalition, which was formed to support his candidacy.

For Bush and Dukakis, a Spending Gap

By David Hoffman
Washington Post Service

WASHINGTON — They campaign on themes of fiscal responsibility, eliminating waste and fraud in government and reducing the federal deficit, but in recent weeks the two presidential candidates have been toying with proposals that carry costly price tags.

Governor Michael S. Dukakis of Massachusetts used his acceptance speech and the Democratic platform to outline an ambitious domestic policy agenda, although he was vague on the cost and timetable.

This week, congressional Republicans offered their own projections of the cost in a report estimating that legislation to back up the platform promises would add \$43 billion in spending over four years.

Vice President George Bush, meanwhile, has been running up his own tab. In recent weeks he has proposed two major tax breaks, for child care and for the oil and gas industry.

He has also announced that he intends to develop a strategic defense system, which could cost \$150 billion for the first phase, according to estimates by officials of the administration of President Ronald Reagan. He has made a point of saying that he backs the big strategic-weapons systems that are on the Reagan-era drawing board.

"When you add up the cost of everything, you can say, 'Thank goodness people don't live up to their promises,'" said Rudolph Penner, a former director of the Congressional Budget Office.

"In fact, they often try for a while," he added.

Mr. Penner said the two candidates were responding to pent-up demands for new programs after the austerity of the Reagan years.

"It's very clear that the public is demanding more activism, and so the candidates are responding to that," said Mr. Penner, who served as a budget adviser to President Gerald R. Ford. At the same time, voters are less worried about the deficit, and "you hear various economists getting complacent about it these days."

Tom Donlon, a Democratic strategist, said Mr. Bush "is trying to fill in the Swiss cheese of the Reagan record," in part by proposing new spending in areas that seemed neglected by Mr. Reagan.

The vice president, for example, recently unveiled his child-care program, including a "children's tax credit" of \$1,000 per child for low-income families and other new programs that would cost the government an estimated \$2.2 billion a year.

Mr. Dukakis has endorsed "in concept" the Art for Better Child Care, sponsored by congressional Democrats, which carries a \$2.5-billion-a-year price tag, although he has refused to say when he would seek the money for it.

In education and drug enforcement, too, Mr. Bush and Mr. Dukakis have promised to increase government spending over the Reagan levels, responding to polls that put these concerns high on voters' agendas.

Although they differ sharply over the details, both candidates have also called for relatively stable Defense Department spending.

Although the Democrats approved a platform with fewer specifics than some platforms in the past, congressional Republicans tried in their report to put a "big spender" label on the document.

"They said the platform called for creation of at least 16 federal programs and the expansion of 17 existing programs. The report, published by the House Republican Research Committee, cited Congressional Budget Office estimates of the price of related legislation pending on Capitol Hill.

The Republican study noted that Mr. Dukakis had called for less than \$1 billion in specific spending cuts, but it ignored other areas where he had suggested savings subsidies and welfare.

The Republicans also did not calculate savings from military changes that he has proposed, such as scrapping the Strategic Defense Initiative, or "Star Wars," and spending more on conventional warfare.

Former Representative Michael D. Barnes of Maryland, who headed the platform operation for the Dukakis campaign, rejected the Republican exercise.

"What they are trying to do is say we made specific commitments to legislative proposals, and that is not the case," he said. "We were careful not to. The party provided its nominees with maximum flexibility, and importantly, there is no commitment to any timetable."

Mr. Bush has also refused to say precisely where he would get budget savings and has not issued a fiscal blueprint.

But he has endorsed new spending, including his pledge to build a strategic defense, although he has not said how quickly.

He has also proposed a tax credit for rural development (no cost estimate); the tax credit for child care; a cut in the capital gains tax (which he asserts will stimulate revenue); and a tax break for college savings.

■ Congress Expands Aid

In a burst of election-season bipartisanship, Congress has approved major expansions in the food stamp program and other federal nutrition programs that could cost about \$1.5 billion over the next three years, The Washington Post reported.

Although the administration opposes several provisions in the bill, which was passed Thursday, Capitol Hill sources speculated that Mr. Reagan would allow it to become law rather than vetoing sensitive social legislation during an election campaign.

The bill would increase food stamp benefits and continue temporary emergency food assistance to millions of low-income families while expanding school breakfasts, streamlining food-stamp administration and encouraging more eligible people to participate.

Federal nutrition programs now cost about \$20 billion.

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Federal nutrition programs now cost about \$20 billion.

Possible VDT Tie Seen To Lasting Eye Damage

By Philip M. Boffey
New York Times Service

WASHINGTON — Evaluations of more than 150 patients at a specialized eye clinic in California suggest that regular work at a video display terminal might damage the eye's ability to focus.

More than 15 million of the electronic terminals are in use in the United States, and that number is expected to grow to 70 million by 1990. Nearly every previous study of the effect VDTs have on vision has concluded that they cause temporary eyestrain in many workers but no permanent damage.

But Dr. James Sheedy, chief of the Video Display Terminal Eye Clinic in Berkeley, California, reported Wednesday that an unusually large number of the clinic's patients had problems focusing their eyes. All of the patients had worked on VDTs an average of six hours a day for more than four years.

The clinic, which the School of Optometry of the University of California at Berkeley has operated for three years, assesses the problems of workers who seek help for eye discomfort.

Dr. Sheedy's report was presented at a conference at Miami University in Oxford, Ohio, on the computerized office. The meeting was sponsored by the National Institute for Occupational Safety and Health, a branch of the Centers for Disease Control.

He stressed in a telephone interview afterward that the findings

did not establish how long the problems would persist after work on VDTs ceased and did not prove that the problems were caused by the use of the terminals.

But he said the findings were surprising and added, "I do think we have to seriously consider whether the VDT might be causing some breakdown in the eye-focusing mechanisms."

One voice of dissent, Dr. Lowell Glatt, a New York optometrist who serves on the American Optometric Association's study group on environmental and occupational vision, said that in 10 years of studying the issue he had not seen any research that would implicate VDTs as a cause of permanent eye damage.

In his report, Dr. Sheedy, an associate clinical professor of optometry at Berkeley, summarized the clinical evaluations of the first 153 patients treated at the clinic, from August 1985 through May 1987.

He said 40 of the patients were suffering from focusing problems normally experienced by people over the age of 40 years, particularly a reduced ability to focus on near objects.

Most surprising, Dr. Sheedy said, was the finding that more than a third of the remaining patients, 41 out of 113, also had focusing problems, even though they were all in their 20s and 30s. They experienced blurred vision when they tried to change focus from a near to a distant object and back again, and they took much longer than normal to change focus.

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THE HUSTINGS

Study Says Dukakis Would Win Now

SAN FRANCISCO (UPI) — The Field Institute, an independent research organization, estimated Friday after a state-by-state analysis that if the presidential election were held now, the Democratic candidate, Michael S. Dukakis would win with 356 electoral votes, 86 more than needed for victory.

Vice President George Bush would carry 15 states with 110 electoral votes, the institute estimated, and 11 states representing 64 electoral votes were considered to offer even chances.

Mr. Dukakis would get most of his support in the Northeast, Midwest and West, the institute said, and Mr. Bush was strongest in the South. Among states Mr. Bush was likely to win, Florida had the greatest number of electoral votes, with 21. Mr. Dukakis, on the other hand, was calculated to be able to carry seven states with 20 or more electoral votes: California, 47; New York, 36; Texas, 29; Pennsylvania, 25; Illinois, 24; Ohio, 23, and Michigan, 20.

Republicans Adopt a Foreign Plank

NEW ORLEANS (UPI) — Republican platform writers adopted a detailed foreign policy plank on Friday that mirrors Vice President George Bush's presidential campaign call for "strength, realism and dialogue."

The adopted plank promises military aid to the Nicaraguan rebels, calls apartheid "morally repugnant" but opposes stiff economic sanctions against South Africa and rejects the establishment of a Palestinian nation on the borders of Israel.

The statement was diplomatically designed to give Mr. Bush as much maneuvering room as necessary while still adhering to basic Republican principles.

Efforts to include amendments considered diplomatically suspect, such as calling for removal of only "Communist" troops from Angola rather than "all foreign troops," were defeated. The platform committee rejected an effort to adopt tough anti-Communist rhetoric.

Rallying Troops, Reagan Hails Bush

WASHINGTON (AP) — President Ronald Reagan, claiming Americans "don't want to gamble their future on a blind date," told top administration officials Friday that "we are going to hold the White House with George Bush."

Speaking to about 250 senior officials, including cabinet members, the president praised Mr. Bush, saying, "He's been a great vice president, but I think he will be an even greater president."

Mr. Bush spoke before the president at the pep rally, the first of a series of joint appearances planned for Mr. Reagan and the vice president. "I need you to help mobilize our troops," Mr. Bush told the officials. "I need you in march to victory again in November."

New York Police Role In Riot to Be Reviewed

NEW YORK — A federal prosecutor said his office and the FBI will investigate a riot last weekend to determine whether police violated federal civil rights laws.

The melee at Tompkins Square Park in lower Manhattan, during which 52 people were injured and seven arrested, began with a protest against police enforcement of a park curfew.

The ESCADA Corner in Paris NEW FALL-WINTER COLLECTION Export discount Marie-Martine 8 Rue de Sévres, Paris 6th. Also in Denzville.

Soviet Expert Reports Big 'Shadow Economy' Is Creating Millionaires

By David Remnick
Washington Post Service
MOSCOW — Soviet society has thousands of millionaires who made their fortunes through the country's huge "shadow," or illegal, economy, according to a leading economist here.

The economist, Tatyana T. Korvagin, estimated that the Soviet Union's illegal economy was roughly worth as much as \$145 billion a year.

Giving the first statistics ever published in the Soviet Union about the shadow economy, Miss Korvagin said Soviet citizens spent \$22 billion to \$24 billion a year on shadow services, a figure that amounts to nearly a quarter of the country's service economy.

Interviewed in the official trade union daily Trud, Miss Korvagin described a system that Soviet citizens know only too well from daily experience: carpenters and auto mechanics, for example, who will only work if they are paid far more than official rates; doctors and nurses who treat patients properly only when given a "gift," and undertakers who will sell a plot only at a premium.

Left at a loss by the lack of goods and services available on the official state economy, Soviet consumers must look to tailors, taxi drivers and others working strictly "on the left" — or illegally.

Miss Korvagin said that although there were a few hundred inventors, artists and writers who had become millionaires through legal means, there were "several thousands" in the Soviet Union who had made their fortunes in the shadow economy.

Mikhail S. Gorbachev's push to create more cooperative enterprises is directed at controlling what has traditionally been done illegally.

He is hoping that by harnessing individual initiative and competition, such economic reforms will generate more goods and services and also more money for the state through taxes.

Miss Korvagin said that 15 to 20 years ago the total value of the shadow economy was no more than \$8 billion, but that now the figure was from \$110 billion to \$145 billion.

That figure will decline, she said, only when more goods and services are made available and people's salaries become something more than just paper that "earns one the right to stand in line and be humiliated."

Miss Korvagin said that unless changes were fully instituted to shift the Soviet economy away from a centralized "command" model to one that runs "by the laws of the market," Mr. Gorbachev's sweeping program of social restructuring called perestroika would fail.

She called for increased salaries and changes that would give farmers control of their land and workers control over their enterprises.

The Soviet press has also continued to hammer away at corruption in the government, especially at the case of Leonid I. Brezhnev's son-in-law, Yuri Churbinov, and countless other officials who for years dominated Uzbekistan.

The book, published in the West in 1970, has been available only clandestinely in the Soviet Union. Yonost said a Soviet publisher would issue all 83 chapters in book form next year.

"Nadezhda Yakovlevna left us in her books an epic description of the 1920s and 1930s," Yonost said in a preface to the extract, entitled "Memoirs." "She unconditionally condemned the moral and cultural barbarity of those years."

"She looked the Beast-Age in the eye and welded with her blood the spine of two centuries," the preface added.

Osp Mandelstam was among the leading poets of his generation. He died in a labor camp near Vladivostok in December 1938, seven months after his arrest.

Nadezhda, whose name means "hope" in Russian, memorialized her husband's unpublished works after the Soviet security police took him away and denied her the right to remain in Moscow, their home city.

Working as a teacher of English in the provinces, she struggled to survive in the hope of one day passing on his literary work to the world.

Osp Mandelstam's collected poems, published in the West, have yet to be released in the Soviet Union.

Nadezhda Mandelstam was allowed to return to Moscow in 1964, the final year of Nikita S. Khrushchev's "de-Stalinization" campaign, and began writing her memoirs.

A second volume entitled "Hope Abandoned" and published in the West in 1974 was not mentioned by Yonost. She died in 1980.

The publication of the first chapters of the memoirs marks a major event in the glasnost, or openness, campaign of Mikhail S. Gorbachev, the Soviet leader.

Mr. Gorbachev has encouraged disclosures of the terror, labor camps and hardship during Stalin's dictatorship as he presses a campaign to restore initiative and ideals in Soviet society.

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IRANIAN POWS — Some of the prisoners of war that the Iraqi-backed Iranian National Liberation Army says it is holding. The organization said that it was planning to free 1,300 prisoners and that 850 of the Iranian soldiers had asked to join the opposition group.

U.S. Navy Holds Up Sending Aegis Ship to Gulf

Compiled by Our Staff From Dispatches
MANAMA, Bahrain — The U.S. Navy has decided not to send another of its billion-dollar Aegis cruisers to the Gulf to replace the Vincennes, which shot down an Iranian airliner July 3, officers said Friday.

Lieutenant Commander Tim Taylor, a spokesman for Mayport Naval Station in Florida, said the departure of the cruiser Mobile Bay "has been temporarily postponed until further notice."

The Mobile Bay had been scheduled to leave the base Friday to join the U.S. Navy Joint Task Force Middle East, which includes 27 warships in the Gulf and the Arabian Sea.

Military sources in Bahrain indicated privately the decision was related to an expected cutback in the size of the U.S. force after a truce in the war between Iran and Iraq, but would not be specific.

Meanwhile, Iran denied Friday a report from Baghdad that it had shelled Iraqi positions.

"The enemy's false propaganda is solely aimed at covering up its hostile intentions," the Iranian press agency IRNA, monitored in Nicotia, quoted a government spokesman as saying.

The spokesman was referring to reports by Iraq on Thursday that said Iranian forces had fired two tank rounds on Iraqi positions in the north and more than 400 howitzer shells and mortar bombs on the southern front.

The Iranian spokesman condemned Iraq for its incursions into Iranian territory in July. He also condemned chemical attacks that Iran said wounded more than 2,000 civilians last week and that occurred after Iran accepted the United Nations cease-fire order on July 18.

On Tuesday, Iran ordered its forces to hold their fire but respond to any Iraqi attacks.

(AP, Reuters)

SPY: Soviets Accuse Nuclear Team BOTH: U.S. Is Criticized

(Continued from page 1)
Individuals withdraw all investments in that country.

The vote was 244 to 132. The voting was largely along party lines, with 220 Democrats and 24 Republicans voting in favor, and 10 Democrats and 122 Republicans opposed.

The bill would also ban most trade between the United States and South Africa and would severely limit cooperation between the countries in intelligence or military matters.

Prospects for approval of the bill in the Senate are uncertain, and the Reagan administration strongly opposes it.

Representative Danny I. Burton, Republican of Indiana, accused the Democratic leadership of "ramming it through" so that Republicans who opposed both apartheid and sanctions would be embarrassed by having to cast a vote unpopular with hawks on the eve of the Republican National Convention in New Orleans.

One of the Democratic sponsors of the measure, Ronald V. Dellums of California, replied, "Apartheid kills Mr. Burton!"

William S. Broomfield of Michigan, the ranking Republican on the House Foreign Affairs Committee, said the action on Thursday was an attempt to help Governor Michael S. Dukakis's presidential candidacy by possibly hindering Reagan administration efforts to oversee a regional peace agreement involving Angola, South-West Africa and South Africa.

The measure approved Thursday would impose these restrictions:

• A ban on U.S. investment in South Africa and a requirement that U.S. companies, institutions and individuals rid themselves of their investments there.

• A prohibition on all imports from South Africa except strategic minerals and publications.

• A ban on all American exports to South Africa except for farm products, publications, and public and private aid.

• A ban on the issuing of new federal coal, gas, and oil leases to American subsidiaries of foreign concerns that have investments in South Africa or export oil to South Africa.

• A requirement that ships owned, controlled or registered by U.S. concerns transport no oil to South Africa.

• A ban on intelligence and military cooperation between the United States and South Africa, except for intelligence relating to Cuban troops in southern Africa.

The measure resulted from the conclusion by House Democrats that a less stringent bill, passed over President Ronald Reagan's veto in 1986, had not improved the economic or political status of the black majority ruled by the white minority in South Africa.

The 1986 law banned all United States public and private-sector loans and investments in South Africa, prohibited the importation of some South African products, including uranium, food and steel and banned exports of American oil and munitions to South Africa.

Italian Crime Rate Climbs
ROME — Italy's crime rate went up by a third in 1982, with rape and drug offences showing some of the biggest increases, according to official figures published Friday.

NATO Members Vow Equitable Cost Sharing

BRUSSELS — Members of the NATO alliance said Friday that they were committed in an "equitable sharing" of the risks and costs of Western defense, as well as maintaining a "fair partnership" among the 16 member nations.

The statement was issued a day after the U.S. Senate approved a \$252.6 billion military spending bill. An amendment to the bill urges Europe and Japan to shoulder a larger part of the burden for their defense.

The NATO statement, which was read by a spokesman, Florent Swijssen, said the equitable sharing of defense responsibilities "concerns each ally, as it is in the interest of all that a distribution is balanced."

"There is within the alliance continuing commitment in this principle," the statement said, "as well as recognition of the need to renew efforts to maintain, under evolving circumstances, a fair partnership."

In recent years, a growing movement in Congress has sought to apply pressure on Western Europe to curtail military spending for defense. Some members of Congress argue that the United States is paying too large a share of NATO costs, and that other members of the alliance are not paying enough.

Congress has requested a report by the end of this year on consultations with U.S. allies over the issue of "burden sharing."

The NATO statement noted that defense ministers of countries in the alliance had "expressed their determination to improve collective defense and to ensure that each ally contributes in the most effective and equitable fashion."

A European diplomat at NATO headquarters expressed concern that the Senate measure could lead to a reduction in the U.S. commitment in Europe and weaken the West's bargaining position at East-West negotiations on the reduction of conventional forces in Europe.

"If we start reducing unilaterally," the diplomat said, "then there is no point in the Russians' giving in to Western pressure because there is no pressure."

The Senate's amendment orders a major review of U.S. overseas commitments.

It also sets a limit on spending for U.S. military personnel stationed overseas that requires U.S. allies to pay the difference if costs of deploying U.S. troops rise above 1983 levels.

A House version of the spending bill, approved two months ago, does not contain a burden-sharing amendment. The spending measure will go to a House-Senate conference committee where differences will be resolved.

One Dead in Iranian Quake
NICOSIA — An earthquake struck the southern Iranian province of Fars early Friday killing one person, injuring others and damaging homes in several villages, the Tehran radio reported.

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) August 12, 1983

A large table listing various international funds with columns for fund names, symbols, and prices. The table is organized into several sections, including 'AL-ARAB GROUP', 'INTERNATIONAL FUNDS', and 'OTHER FUNDS'. Each entry includes the fund's name, a three-letter symbol, and its current price per share.

EXHIBIT: Russians Get Glimpse of Another America

(Continued from page 1)
pregnancy test or a frozen dinner are, for people in Magnitogorsk, like wondrous items from a planet with a more advanced civilization.

More popular than the hardware and software, though, are the free-wheeling seminars on American life conducted by two dozen Russian-speaking U.S. guides.

Stationed around the hall to explain displays, they spend more of their time answering questions about how Americans live.

What does a steerworker earn? What about American Indians? Is New York truly very dangerous? Is it true that America has discovered a cure for cancer? Can you read Pravda there? What about that Iranian airliner?

The fact we don't have to carry passports to travel around the United States, that really gets them, said Peter Byrne, 26, a computer consultant from Norwood, New York.

"I don't think people here can imagine what it's like to be looking for a job — or that looking for a job is a normal thing," said Viora, 34, a free-lance journalist from Minneapolis, who explains nonemployment to the plains several times a day.

"It's hard for them to keep these two images in their minds at the same time," she continued, "the

chaotic, steaming pot of racism and unemployment, and at the same time this technological prowess. How can a place that is supposedly so awful to live in produce things that make it so much easier to live?"

The show often brings out the elemental defensiveness that is also characteristic of the Soviet view of America. No one wants to seem overly impressed.

Mayor Lyzenko, for example, is a gruff and attentive host who arranged to have an apartment building constructed for the visiting Americans because the only hotel in town was a seedy workers' hostel. He had street signs put up to help people find the exhibition, and he opened up the vast city stadium for a baseball game between the Americans and some Cubans studying here (Cubans 20, Americans 2).

But he is not about to let the idea take hold that Magnitogorsk is some primitive backwater. "Everyone knows it's not really the latest technology," the mayor said of the exhibition. "The human contact is very interesting, though, very positive."

Sometimes visitors, especially middle-aged matrons whom Ann Poletti, another guide, refers to as "blond beehives on a mission from Lenin," feel compelled to argue for

the superiority of their system, even to contend that everything the Americans are showing is readily available in Magnitogorsk, perhaps just temporarily out of stock.

The guides say they feel no obligation to give the Reagan administration's line and seem free about voicing their political views.

Michael Opachevsky, a guide who emigrated from the Soviet Union with his parents when he was 11, told a crowd the other day: "This year, I won't vote for either party. I don't like either candidate."

The guides get daily invitations to go home for dinner with local residents. The experience has widened their window into a society straining to change. Looking through it, what strikes them is a sense of the Russians' disappointment, disorientation and low expectations.

Mr. Opachevsky, returning after 12 years, said: "The attitude is better. People are not afraid to talk. But I don't think life has changed that much, except for different hairstyles and somewhat better clothes. The same crummy houses, the same problems with industry."

"There's a political atmosphere that hasn't been translated into practical results," Miss Sloan said. "The big question to me is how long people will wait."

ARTS / LEISURE

A Love of Pont-Aven And the Impressionists

PARIS—Seventeen years ago, a young Frenchman with deep roots in Brittany married a New Yorker who met in Paris...

make a strong visual case for their thesis. Judy Le Paul provides a striking description of the region...

(now roofless) standing in precisely the same relationship to the spire as the thatched cottage in the painting.



Gauguin's "Four Breton Women" (1886); at right is a study for it.



SOURN MELIKIAN

dening, had run a New York gallery specializing in Impressionism. The Le Pauls decided to settle in Pont-Aven, study in depth their favorite subjects...

In 1978, the Pont-Aven Museum turned to the Le Pauls to help put together an art show...

Such were the beginnings of a book by husband and wife, "Gauguin and the Impressionists at Pont-Aven"...

A mix of period postcards gathered by Judy Le Paul, and reproductions of Kitch paintings...

To put it this way, however, is to weaken the case the Le Pauls make so brilliantly in visual terms...

His "Four Breton Women" stand out like monumental sculptures set squarely against the landscape...

The Le Pauls argue that the visual impact of Pont-Aven changed Gauguin's Impressionism...

The extraordinary revelation of the book is that so many painters with vastly different, even conflicting personalities...

More revealingly still, the sketch discovered by Judy Le Paul shows a strong outline in the painting...

for example, Maxime Maufra's "Red Sun," obviously influenced by van Gogh...

The book has some imperfections. It opens with a wildly inaccurate statement: "Romanticism was born during the early years of the nineteenth century..."

for example, Maxime Maufra's "Red Sun," obviously influenced by van Gogh, and Gustave Loiseau's "The Green Rocks."

New Dispute on Anti-Semitism and Eliot

By Bernard Weinraub

LONDON — A celebration honoring T.S. Eliot has turned into a dispute over accusations that the writer was anti-Semitic.

At the center of the dispute is a plan by the London Library to celebrate next month's 100th anniversary of Eliot's birth...

Several prominent Jews in Britain, including Lord Goodman, a lawyer, and the philosopher and author Sir Isaiah Berlin have joined the appeal...

Others insist that Eliot's writings remained highly offensive even after World War II. Michael Hastings, who wrote the play "Tom and Viv," about Eliot's first marriage...

bank with a Baedeker. Flaubert With a Cigar," which includes these lines: "The rats are underneath the piles. The Jew is underneath the lot."

Another poem, "Gerontion," includes these lines: "My house is a decayed house. And the Jew squats on the window sill the owner. Spawned in some estomine in Antwerp."

Emanuel Livinoff, a poet now in his 70s who wrote a poem in 1951 that attacked Eliot as anti-Semitic, said by telephone: "I don't see any reason why there shouldn't be a centenary honoring T.S. Eliot..."

The appeal, which is being supported by Eliot's second wife, Valerie, is seeking about \$170,000 to help scholars use the resources of the London Library...

The appeal, which is being supported by Eliot's second wife, Valerie, is seeking about \$170,000 to help scholars use the resources of the London Library. So far, about \$50,000 has been raised.

'Temptation': An Ambitious, Troubling Film

By Janet Maslin

NEW YORK — Nikos Kazantzakis' radical, revisionist novel "The Last Temptation of Christ" redefines divinity through choice...

That part of Christ's nature which was profoundly human, Kazantzakis wrote in his introduction to this startling volume...

Though the choices that shape this exceptionally ambitious, deeply troubling and, at infrequent moments, genuinely transcendent film are often contradictory...

Scorsese's evident struggle with this material becomes as palpable as the story depicted on the screen. Faith and sacrifice, guilt and redemption, sin and atonement...

As photographed by Michael Ballhaus and staged by Scorsese with many aspects of religious painting in mind...

What emerges most memorably is the film's sense of absolute conviction, never more palpable than in the final fantasy sequence that removes Jesus from the cross...



Martin Scorsese

fiery style by a tattoo-wearing Barbara Hershey, as he watches her engage in prostitution with an entire national army of clients.

Paired, awkward and self-analytical in these early moments, "What if I say the wrong thing?" the film's Jesus changes markedly as the story progresses...

In contrast with the real spiritual torment conveyed by many of Scorsese's other characters...

Fortunately, Willem Dafoe has such a gleaming intensity in this role, so much quiet authority...

Anyone who questions the sincerity or seriousness of what Scorsese has attempted need only see the film to lay those doubts to rest.

Collector's Guide From the Treasure Houses of Britain

INTERNATIONAL ART EXHIBITIONS PARIS GALERIE DAMIEN ERTE

MUSÉE RODIN DODEIGNE

VENICE Scuola Grande San Teodoro - Campo San Salvador DALI

LONDON COLERIDGE BRITISH CONTEMPORARY ART GLASS GALLERIES

LONDON WEST LONDON Antiques Fair August 18-21

DOONESBURY comic strip panels

CHRISTIE'S GENEVA The selling art Jewellery, 20th Century Decorative Arts, Porcelain, Silver, Miniatures, Gold Boxes and Objects of Vertu, Russian Works of Art and Fabergé, Watches and Wines.

A Dream and Its Defeat In Coppola's 'Tucker' By Rita Kempley

Dining Out CANNES COLONY CLUB - Night club LAUSANNE AU VIEUX STAND NEUILLY ASHIANA LA CHEVAUCHEE PARIS 1st PRUNIER-MADEIRNE KITTY O'SHEA'S PUB JOHN JAMESON INDR A AND VISHNOU PARIS 5th RAFFAËL & HONORINE LA PETITE CHAISE THOUVENIN LA BIESTROT D'ARMAND PARIS 8th LE PRESBOURG PARIS 15th LA TRIPLE BLANCHE - KOSHER PARIS 16th LE PRESBOURG PARIS 16th AU HAMEAU D'AUTEUIL PARIS 17th GOLDENBERG WAGRAM VIENNA KERVANSARAY

Various financial and market data including exchange rates, interest rates, and commodity prices.

DAI-CHI KANGYO BANK LONDON BRANCH

ECONOMIC SCENE

In Raising Discount Rate, Fed Opts for Necessary Evil

By LEONARD SILK New York Times Service NEW YORK — Reacting to the Federal Reserve Board's half-point increase in the discount rate, to 6.5 percent, the White House issued a statement that avoided direct criticism of the Fed's action.

White House spokesman, Martin Fitzwater, praised the Fed with a faint dam, saying, "Naturally, we are disappointed that the discount rate has increased."

It is noteworthy that the administration's disappointment was directed not at the Fed but at the discount rate. Indeed, the spokesman expressed the administration's philosophical understanding that the Fed had the "task of trying to balance resistance to inflationary pressures with maintenance of real growth in the economy."

And he said that the Fed was doing a good job of maintaining that balance and that there was "a sound reason" for raising the discount rate.

Why, then, should the White House express disappointment with the increase in the discount rate? Perhaps because, as motherhood is always a virtue, raising interest rates are always a vice in politics, even when necessary to head off inflation.

Yet, while lending a little support to the Fed, the White House appeared to back away from accepting the inflationary pressures as a clear and present danger. The spokesman said that "inflation is low and under control," and expressed hope that the rise in the discount rate would be temporary.

The administration, though philosophical about the Fed's role, is ignoring its own responsibility to move on the budgetary front to achieve a better balance between resisting inflation and maintaining real economic growth. It has based its case for inaction on a new "rosy scenario," according to which the economy will continue to expand this year and next, but not so strongly as to generate inflation.

Ongoing growth, with declining interest rates and a gradual hold-down in spending, will eliminate the budget deficit over the next few years, the administration says.

THE FINANCIAL markets do not buy this rosy scenario. Inflationary expectations have been rising, and so has worry about the lack of adequate fiscal or monetary action to head it off.

"The bond, stock and foreign-exchange markets have replaced fiscal and monetary policy as the economy's disciplinarians," writes Cornelia M. Small, a managing director and chief economist at the Scudder Funds.

"This transfer has been led by the financial deregulation which has taken place domestically and abroad. Acting instantaneously and without the political interference encountered by policy makers, the financial markets are strong anti-inflationists. The result is a long-term bias toward restraint, not expansion, and volatility in financial prices."

Inflationary worries and instability in the markets provoked the Fed to increase the discount rate. The central bank was unwilling to be perceived as a pitiful, helpless prisoner of the administration in an election year. And this week seemed like a crucial time for the Fed to demonstrate its independence, with the Republican national convention opening in New Orleans next week.

Economic growth in the 1980s, as Ms. Small observed, has been financed by a rapid increase in debt, public and private. The ratio of outstanding debt to gross national product has risen to 1.9 from a steady ratio of 1.4 during most of the postwar period.

Because the great expansion in debt took place under conditions of declining interest rates, the interest cost burden did not rise proportionately. But there is danger that rising interest rates in the period ahead will have a highly leveraged effect on consumers' discretionary spending and on business profits.

Bid for Polaroid Is Raised

Shamrock Alters Its Contingencies

The Associated Press BOSTON — Shamrock Holdings Inc. said Friday that it had increased its offer to buy Polaroid Corp.

Shamrock, controlled by Roy E. Disney, a nephew of the late Walt Disney, announced that it had offered \$40 a share plus 40 percent of any securities in Polaroid's \$5.9 billion patent infringement case against Eastman Kodak Co.

Polaroid's 13-member board met Friday to discuss the revised Shamrock offer but announced no action. A spokeswoman at the company's Cambridge headquarters said it planned a further meeting.

Shamrock, of Burbank, California, which already owns 6.9 percent of the instant camera pioneer, rescinded an earlier requirement that made a deal contingent on Polaroid's dropping a \$190 million pension surplus plan. But it said it would continue to fight a recently announced employee stock ownership plan.

The cost of buying the rest of the stock would be \$2.28 billion, assuming defeat of the employee share issue, or \$2.68 billion if the share issue is not defeated. The bid values the company at about \$2.88 billion if all 71.9 million shares remain outstanding. If the stock issue is rolled back, the implied value would be \$2.48 billion.

Shamrock has filed suit in a Delaware court seeking to overturn the employee stock plan, which is part of a corporate restructuring that includes 500 to 800 layoffs, a \$300 million stock repurchase and entry into the conventional film market.

The firm last month offered a flat \$40 per share for Polaroid and attached several contingencies to the bid.

The new offer was made in a letter from Shamrock's chairman, Stanley Gold, to Polaroid's president, L. MacAllister Booth.

On Thursday, a federal judge in Boston cleared the way for a trial on Polaroid's damages request against Kodak.

Polaroid stock has been trading above \$40 a share in anticipation of other takeover offers or of a revised Shamrock bid, analysts said.

The stock slipped to \$42.125 at Friday's closing on the New York Stock Exchange from Thursday's close of \$43.

Polaroid stock traded at around \$25 before the company announced its case against Kodak, which was found in 1983 to have violated Polaroid patents on instant camera and film.



A Marks & Spencer store in Paris: U.S. acquisitions should be a major step in internationalization.

How to Make Marks in America

A Big British Retailer Pins Hopes on U.S. Acquisitions

By Warren Getler International Herald Tribune LONDON — Despite more than a decade of disappointment with many of its subsidiaries in Canada, Marks & Spencer PLC is once again building bridges across the Atlantic.

Over the past four months, the big British retailer has completed two takeovers in the United States that appear to go far in transforming the traditional mass-market retailer into a significant, international niche player in upmarket men's clothing and specialty foods.

Earlier this year, Marks bought Brooks Brothers, the Madison Avenue men's outfitter, and it has just completed the purchase of Kings Super Markets Inc. of New Jersey.

Faced with an increasingly mature core business of affordable clothing and convenience foods at home — sales in Britain account for about 90 percent of Marks's



Lord Rayner

turnover — the group had little choice but to expand abroad, according to industry observers.

Indeed, the company's chairman acknowledges that the recent moves in the United States may be

setting the groundwork for the full-fledged entrance of Marks & Spencer stores into the highly competitive American market. Marks, Britain's most profitable retailer, also has its eye on the buoyant West German retail sector, weighing a partnership with an established German firm.

Lord Rayner, chairman of Marks, is proud of the Brooks Brothers acquisition, in April, from Campeau Corp. for \$750 million, and that of Kings Super Markets, a family-owned food retailer, for \$108 million last week.

"Brooks was the vehicle which I personally was seeking," the 62-year-old chairman said in his Baker Street office. "But it wasn't available, I had to prize it out of Mr. Robert Campeau by visiting him personally."

"I knew exactly what my target was when it came to foods in America," he said.

See MARKS, Page 9

Producer Prices In U.S. Climbed 0.5% In July

Compiled by Our Staff From Dispatches WASHINGTON — U.S. wholesale prices rose 0.5 percent in July, an annual rate of 5.7 percent, in the largest monthly increase since March, the Department of Labor said Friday.

The rise was spurred by higher prices for clothing, automobiles, furniture and poultry.

The Producer Price Index for July compared with a 0.4 percent increase in June, or an annual rate of 4.6 percent. The rate for all of 1987 was 2.2 percent.

The announcement followed the Federal Reserve Board's decision Tuesday to raise its discount rate to 6.5 percent from 6 percent. U.S. banks followed that move Thursday by raising their prime lending rates to 10 percent from 9.5 percent.

This report is indicative of inflation in the here and now, as opposed to the future," said Lawrence Leuzzi, managing director at S.G. Warburg Securities Inc.

Also on Friday, the Department of Commerce said that U.S. business inventories had risen 0.7 percent in June, or \$4.9 billion, to a seasonally adjusted \$733.93 billion.

Wholesale prices for consumer goods increased at a slightly slower pace, 0.4 percent, indicating to some analysts that the worst immediate effects of the U.S. drought were over. Wholesale food prices had been rising faster than prices for other products since April.

But Mr. Leuzzi noted that the prices of crude food, unprocessed vegetables and meats, rose 9.5 percent in July because of the drought that has severely damaged crops in

the Midwest. That increase had yet to show up at the consumer level.

Energy prices remained unchanged after a 1.6 percent drop in June. Excluding food and energy, wholesale prices rose at 0.6 percent. Because food and energy prices are highly volatile, most analysts look to price changes for other products as a better indication of underlying inflation.

The July increase in prices for finished goods lifted the Labor Department's index to 108.5. That means a variety of goods costing \$100 at the wholesale level in 1987 cost \$108.50 in July, compared with \$107.90 in June and \$106 a year ago.

Wholesale prices for intermediate goods, or those used in production, rose 0.7 percent last month, indicating that more inflation may lie ahead.

In June, prices for intermediate goods rose 0.9 percent. Analysts said the smaller July increase was due almost entirely to a decline in oil prices.

Anthony Karydakis, an economist at Mitsubishi Bank Ltd., said, "The consistent increases in intermediate goods will inevitably show up in finished goods down the road. So the sharp increase in intermediate goods do not bode well."

Economists agreed that the report points to further tightening by the Federal Reserve later this year, possibly later this month.

"The core inflation rate is going up, we haven't seen the impact of higher agricultural prices, and higher intermediate goods prices will filter into finished goods prices," said Mr. Fabbrini.

"So the whole tenor of the report is very negative and these price rises are likely to spill into the consumer price index," he added.

The wisdom of increasing the discount rate earlier this week merely was merely confirmed by the wholesale price figures, economist said.

Meanwhile, June brought the 18th consecutive monthly rise in U.S. business inventories.

The Commerce Department also announced a revised rate of 0.7 percent, or \$5.06 billion, in inventories in May, to \$729.03 billion. Earlier, the department said that May inventories rose 0.6 percent.

The June inventory increase was accompanied by a strong 1.5 percent climb in business sales, or \$7 billion, for a seasonally adjusted \$490.6 billion.

(AP, Reuters)

Commodity Prices Plunge After Steep Early Rise

Compiled by Our Staff From Dispatches CHICAGO — Prices of soybean futures closed lower Friday on the Chicago Board of Trade after very erratic trading, while wheat prices tumbled, wiping out early gains that followed an official U.S. report of huge crop losses.

"That's the biggest disaster I've ever seen," said a Chicago trader. "It was totally unexpected."

Soybean futures nosedived to show slight losses after erratic trading that saw a 30-cent jump at the opening, following confirmation by the U.S. Department of Agriculture

of the worst drought in 50 years.

August beans ended down 7.5 cents at \$8.45 per bushel, while November closed down 9 cents at \$8.65.

Wheat futures, pressured by tumbling corn and soybean prices, fell sharply. September wheat closed down 2.75 cents at \$3.7975 per bushel, while December ended 1.5 cents lower at \$3.93.

"There's so much money on the line that people just sell out and ask questions later," said one trader.

"It's a crashout over the weekend," said another dealer. "We could either open limit up or limit down on Monday" depending on the weather forecast, he said.

As prices soared earlier Friday, traders in Chicago and London said that, as world cereal stocks tilt from surplus toward scarcity, appreciably higher prices were possible, which is good for farmers but a dismal outlook for debt-laden Third World buyers for whom less food may be available as aid.

At the opening in Chicago, prices of corn, oats and soybean

futures rose by their permitted limits.

The Agriculture Department on Thursday predicted that this year's U.S. corn production would fall 37 percent below last year's harvest; soybean production would decline by 23 percent and wheat production would drop by 14 percent.

Corn and oats futures are limited to daily moves of 10 cents a bushel and soybeans to 50 cents a bushel. The exchange has removed the limits on the soybean contract for August delivery, which leaped more than 50 cents a bushel at the opening.

(Reuters, AP)

Economists Expect U.S. Trade Deficit for June to Show a Slight Increase

NEW YORK — The U.S. trade report, due on Tuesday, will show that an ebullient economy sucked in imports at a brisk pace in June, though exports were also healthy, economists say.

"June was a strong month for production, employment and total demand in the United States," Kevin Logan of Citibank said.

The consensus from economists is that the trade gap grew slightly to \$11 billion in June from \$10.93 billion in May. The range of their expectations runs from about \$10.70 billion to \$12.50 billion.

Imports probably rose to between \$38 billion and \$39 billion in June from May's

\$37.55 billion, while exports increased to between \$27 billion and \$27.50 billion from \$26.62 billion, economists said.

Examples of the economy's vigor in June include the creation of 532,000 new, non-farm jobs, a 5.1 percent increase in housing starts, an 8.4 percent increase in new single-family home sales and a 5.5 percent jump in factory orders, in conjunction with a 9.4 percent surge in orders for durable goods.

"Continued good income growth is leading to increased consumption," said John McAuley, of Richard Wrightson & Associates, who expects an \$11.2 billion June trade gap.

Mr. McAuley noted that year-to-year income growth is in the range of 6.5 percent to 7 percent.

But economists also noted that the recent export boom shows little sign of dimming.

"Everything we have seen — manufacturing orders, production and shipments — is improving," said Joseph Carson of Chemical Bank. "A larger and larger percentage of our output is being directed overseas." He looks for a \$10.7 billion trade deficit in June, composed of \$38 billion in imports and \$27.3 billion in exports.

Robert Bretz, chairman of the National

Association of Purchasing Management's business survey committee, said that export orders were growing at a torrid pace.

"In recent months, the number of NAPM exporting members reporting higher orders has been 38 percent, with those seeing lower orders about 3 percent," he said.

Meanwhile, economists dismissed the popular notion that the dollar's recent surge would be reflected quickly in a worsening of U.S. trade accounts.

"The latest rise in the dollar plays no role in our June trade forecast," said John Stromeier of MMS International. "The U.S. is still reaping the benefits of past dollar depreciation."

Ms. Stromeier believes that the trade deficit widened to \$12.5 billion, with exports falling slightly to \$26.5 billion and imports jumping to \$39 billion.

Economists point out that there is a substantial lag between a currency's movement and the impact on trade accounts.

"The dollar has been rising for about three months," said Mr. Logan of Citibank. "That is too early to affect business decisions about sales and orders."

He said he expected a \$10.8 billion June trade deficit. He noted that there appeared to be a longer lag time between when a currency's change affects exports than when it is apparent in import levels.

Currency Rates

Table with columns for City, D.M., F.F., S.F., G.H., R.F., S.F., Y.S. and Aug. 12 rates.

Other Dollar Values

Table with columns for Currency, Per \$, and values for various currencies.

Forward Rates

Table with columns for Currency, 30-day, 60-day, 90-day, 120-day, 150-day, 180-day, 210-day, 240-day, 270-day, 300-day, 360-day.

Interest Rates

Table with columns for Eurocurrency Deposits, Dollar, D-Mark, Swiss Franc, Sterling, French Franc, Yen, ECU, SDR.

Table with columns for Key Money Rates, United States, Discount rate, Federal funds, Call money, 90-day Treasury bills, 6-month Treasury bills, 3-month CDs, 1-year.

Table with columns for Asian Dollar Deposits, 1 month, 3 months, 6 months, 1 year.

Table with columns for U.S. Money Market Funds, Merrill Lynch Money Assets, 30-day average yield, 3-month Treasury bill, 6-month Treasury bill.

Table with columns for Gold, A.A., P.A., C.W.

Source: Reuters, Bank of Tokyo, Citibank, Credit Lyonnais.

The Value Line brings you HARD FACTS ON 1700 AMERICAN STOCKS. The Value Line Investment Survey covers more than 1700 American stocks, which account for over 90% of all dollar trading volume in U.S. equity markets.

SHEARSON LEHMAN HUTTON MANAGED CURRENCY PROGRAM. PERFORMANCE RESULT FOR BEGINNING EQUITY OF \$ 20,000 JANUARY 1st 1988 HAS BECOME \$ 45,733 AUGUST 1st, 1988 AFTER ALL COMMISSIONS.

Station: Ambitious, Billing Film



Martin Scorsese

and Its Defeat polia's 'Tucker

NYSE Most Actives table with columns for NYSE, High, Low, Last, Chg.

Market Sales table with columns for NYSE 4 a.m. volume, NYSE prev. close, etc.

NYSE Index table with columns for High, Low, Close, Chg.

Friday's NYSE Closing logo and text: Via The Associated Press

AMEX Diary table with columns for Class, Prev., Chg.

NASDAQ Index table with columns for Close, Chg., Week, Year.

AMEX Most Actives table with columns for Val., High, Low, Last, Chg.

Dow Jones Bond Averages table with columns for Class, Chg.

NYSE Diary table with columns for Class, Prev., Chg.

Odd-Lot Trading in N.Y. table with columns for Buy, Sell, Chg.

Dow Jones Averages table with columns for Index, High, Low, Last, Chg.

Standard & Poor's Index table with columns for Class, Prev., Chg.

NASDAQ Diary table with columns for Class, Prev., Chg.

AMEX Stock Index table with columns for High, Low, Close, Chg.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table A: NYSE Most Actives (continued)

Bond Slump Pressures NYSE

NEW YORK — Prices on the New York Stock Exchange closed slightly lower Friday in active trading, depressed by continued weakness in bonds and the lack of buying interest.

Declines edged advances, 719 to 679. Volume was 176.96 million shares, compared with 173 million traded Thursday.

Broader market indexes also slipped. The New York Stock Exchange composite index fell 0.05 to close at 148.55.

This market is certainly not ready to fly yet, said Hildegard Zagorski, a market analyst with Prudential-Bache Securities Inc.

The discount rate hike, the prime rate hike and the federal funds rate increase all bode down for the market, she said.

Gail Dudack, a market analyst with S.G. Warburg in New York, said the market's short-term fortunes were linked directly to the bond market.

Table B: NYSE Most Actives (continued)

Table C: NYSE Most Actives (continued)

Table D: NYSE Most Actives (continued)

Table E: NYSE Most Actives (continued)

Table F: NYSE Most Actives (continued)

Table G: NYSE Most Actives (continued)

Table H: NYSE Most Actives (continued)

Table I: NYSE Most Actives (continued)

Table J: NYSE Most Actives (continued)

Table K: NYSE Most Actives (continued)

Table L: NYSE Most Actives (continued)

Table M: NYSE Most Actives (continued)

Table N: NYSE Most Actives (continued)

Table O: NYSE Most Actives (continued)

Table P: NYSE Most Actives (continued)

Table Q: NYSE Most Actives (continued)

Table R: NYSE Most Actives (continued)

Table S: NYSE Most Actives (continued)

Business Week is Fired in Stock... NEW YORK — Business Week magazine's code of ethics...

Friday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

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Table with multiple columns listing stock prices, including columns for High, Low, and Change. Includes sub-sections for 'NEW HIGHS' and 'NEW LOWS'.

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BUSINESS ROUNDUP

Bally to Spin Off Hotels and Casinos

By Julia Flynn Siler
New York Times Service
CHICAGO — Bally Manufacturing Corp., under pressure to improve its financial performance, has announced that it will spin off its hotel and casino businesses to stockholders as a tax-free special dividend.

Maxwell Makes Tender Offer For Macmillan

NEW YORK — Maxwell Communication Corp. said Friday that it was making an \$80-a-share tender offer for Macmillan Inc. common stock, valuing the company at \$2.1 billion.

Texas Savings Institutions Posted Major Losses in June

New York Times Service
DALLAS — The Federal Home Loan Bank of Dallas has reported that Texas savings institutions had losses of \$2.14 billion in June, the largest monthly decline since the industry's troubles accelerated two years ago.

Hitachi Revises Upward Its Profit Forecast

TOKYO — Strong domestic demand will push Hitachi Ltd.'s profits for the 1988-89 financial year above the company's initial forecast, its president said Friday.

operate' at sustainable profit levels.

Estimates of the cost of shoring up the savings industry across the nation range from \$30 billion to \$75 billion. Many analysts believe the industry is losing an average of \$1 billion a month. The Federal Home Loan Bank is scheduled to release the industry's second-quarter results early in September.

MARKS: British Retailer Sees Its U.S. Acquisitions as a Growth Platform

(Continued from first finance page)
... it was Kings," he said. "And, again, it wasn't on the marketplace, so I had to persuade Mr. Alan Bldner, its owner," to sell after months of talks, said the 35-year Marks veteran.

Japan Shows Concern At South Africa Trade

TOKYO — Japan's Ministry of International Trade and Industry has cautioned industries about their growing exports to South Africa but plans no measures to stem the flow, a spokesman said Friday.

Toshiba Machine Plans To Slow U.S. Activities

TOKYO — Toshiba Machine Co. of Japan said Friday that it would curtail its operations in the United States after the U.S. Senate approved a trade bill earlier this month that would sanction the company.

A Business Week Editor Is Fired in Stock Probe

The Associated Press
NEW YORK — Business Week said Friday that it had fired its broadcast editor for violating the magazine's code of ethics and possibly trading on the stock market using advance knowledge of articles in the publication.

BRAZIL

will be featured in a special news report, prepared by the editors of the International Herald Tribune. It will appear on Thursday Dec. 15. Don't miss this important issue.

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Floating-Rate Notes

Table of Floating-Rate Notes with columns for currency, issuer, and bid/ask prices.

Table of Currencies with columns for currency, bid, and ask prices.

Table of Currencies with columns for currency, bid, and ask prices.

CURRENCY MARKETS

Dollar Closes Mixed in Quiet, Cautious Trading

NEW YORK — The dollar closed mixed to lower Friday in light, nervous trading ahead of U.S. trade figures to be announced next week...

London Dollar Rates

Table of London Dollar Rates with columns for currency, bid, and ask prices.

Deutsche Marks

Table of Deutsche Marks with columns for currency, bid, and ask prices.

Pounds Sterling

Table of Pounds Sterling with columns for currency, bid, and ask prices.

Japanese Yen

Table of Japanese Yen with columns for currency, bid, and ask prices.

E.C.U.

Table of E.C.U. with columns for currency, bid, and ask prices.

SAS to Buy Stake in Argentine Line

BUENOS AIRES — Scandinavian Airlines System has agreed to buy a 40 percent stake in the state airline Aerolineas Argentinas for \$204 million...

World Ministry said in a communiqué Thursday. The agreement will be sent to the Argentine parliament, it said, adding that SAS would pay an initial \$100 million as soon as Congress approves the agreement.

Fed Must Push Interest Rates Still Higher, Economists Say

NEW YORK — The rise in U.S. interest rates this week should slow the economy in the months ahead, but economists believe rates will have to rise further to achieve the U.S. central bank's goal of limiting inflation.

Friday's OTC Prices. NASDAQ prices as of 4 p.m. New York time. This list compiled by the Associated Press.

Main stock market table with columns for stock, bid, ask, and price. Includes various market indices and company names.

Friday's AMEX Closing. Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Vertical text on the left margin, including 'le Mansion' and 'ood News'.

SPORTS

Reds Rally in 9th To Down Dodgers

By Our Staff From Dispatches CINCINNATI — It seemed as if the Cincinnati Reds had just won the pennant. They didn't, but by beating the division-leading Los Angeles Dodgers they might have taken the biggest step toward making a run for it.

BASEBALL ROUNDUP

Los Angeles Dodgers they might have taken the biggest step toward making a run for it. The Reds entered the bottom of the ninth inning Thursday down 8-6 to the Dodgers. Eric Davis led off with a single and stole second. Paul O'Neill singled for his fourth hit of the game and Jeff Reed singled home Davis. O'Neill scored on Jeff Treadway's sacrifice fly.

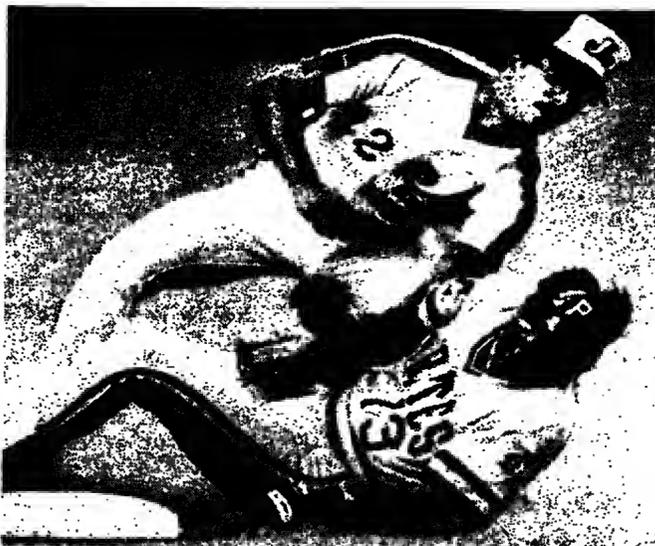
inning for his first major-league RBI and Pete Smith pitched a seven-inning shutout. The Braves swept a four-game losing streak. Philadelphia, Cardinals 8: In Philadelphia, Ricky Jordan doubled home Chris James from first base with one out in the ninth to score the winning run.

Blue Jays 6, Yankees 5: In the American League, in New York, Jesse Barfield stole second and then scored on catcher Don Slaught's throwing error with two outs in the 11th inning as Cleveland completed a three-game sweep, the first sweep of the Yankees this season.

Brewers 4, Red Sox 4: In Milwaukee, Rob Deer and Joey Meyer each homered and rookie Doo August threw a six-hitter for his first major-league shutout, lifting Milwaukee past slumping Boston. Rangers 5, Indians 4: In Cleveland, reliever Doug Jones committed a bases-loaded, three-run throwing error. Cleveland's fourth two-out error of the ninth inning, handing Texas the victory.

White Sox 4, Mariners 3: In Seattle, Harold Baines delivered a three-run double and Dave Gallagher broke a tie with an eighth-inning RBI single to pace Chicago. Athletics 7, Angels 2: In Oakland, California, DeWayne Bruce walked home the winning run in the eighth and Mark McGwire followed with his first career grand slam, leading Oakland.

Royals 6, Orioles 5: In Kansas City, Missouri, Kevin Seitzer hit a sacrifice fly in the 12th inning, leading Kansas City to a 12-game season sweep of Baltimore. The Orioles are the first American League team in 10 years to be swept in a season series. It was the first sweep of a season series in the Royals' 20-year franchise history. (AP, UPI)



Expo Luis Rivera nabs Jose Lind of the Pirates at second in the third inning. Pittsburgh won, 6-1.

Seoul Backs IOC's Proposal For Korean Unity at Games

The Associated Press SEOUL — South Korea welcomed Friday the International Olympic Committee's latest attempt to persuade North Korea to join the Summer Games in Seoul next month.

"We are still very anxious to have their participation," said Shin Hyun Ung, director general of international press for the Seoul Olympic Organizing Committee. On Thursday, the IOC urged North Korea to demonstrate its desire for Korean unity and reconciliation by entering the Olympics, which are being staged by its rival, South Korea.

In a letter to both Korea, Juan Antonio Samaranch, the IOC president, proposed that the North and South Korean teams march side by side in the opening and closing ceremonies, each carrying its own flag, while a single Olympic flag would precede the overall Korean group. Samaranch described this as a "highly symbolic event" that would demonstrate a "strong desire for dialogue and reconciliation." "If North Korea accepts the IOC offer, it would be a very good idea to march in parallel with North Korea in the opening ceremony," Shin said. "The most important thing is having their participation."

There was no immediate reaction from North Korea. Kim Chong-Ha, president of the South Korean Olympic committee, said the IOC proposal "completely coincides with the position of the Korea National Olympic Committee as well as the meaning of the Seoul Olympic Games and the national aspiration."

Kim received South Korea's copy of Samaranch's letter. North Korea is one of six nations that have not accepted invitations to the Olympics in Seoul. The others are Albania, Cuba, Ethiopia, Nicaragua and the Seychelles. A record 12,000 athletes from 161 nations are expected to compete.

The Communist North has said it will boycott the Games unless it is made a cohost. The IOC rejected formal cohost status for North Korea, but had offered to let it stage five of the Olympic events. With the Games opening Sept. 17, however, Samaranch has indicated that it may be too late for the North to organize those events. The final decision on when it is too late is up to the IOC, Shin said, but technically and logistically, changes now would not be easy. "We are very worried that time is running short," he said. "We have to wait as long as we can."

North Korea has proposed that the parliaments of the two Koreas meet to discuss the Olympic issue and other matters, including a non-aggression pact between the two sides, which have been divided since 1945. Meanwhile, tickets for the opening ceremonies of the Games are selling on the black market for \$2,000, 10 times their original price. The Korea Herald reported Friday in Seoul. Tickets for the opening and closing ceremonies originally sold for \$40 to \$200, depending on their location in the 70,000-seat stadium. There were more than a million applicants for the 20,000 tickets allotted by lottery to South Korea.

Help on Hostages

Chile and Haiti React

Chile and Haiti reacted to the news that the United States had agreed to release the 12 American hostages held in Lebanon since the start of the Iran-Iraq war. Chilean Foreign Minister Alfonso Arellano said the move was a "positive step" toward resolving the crisis. Haiti's Foreign Minister Jean-Francois Laporte said the release of the hostages was a "welcome development."

Is to Moscow on Radar

Reagan has ordered a military exercise in the North Atlantic. The exercise is part of a larger program to increase NATO's readiness for a possible conflict with the Soviet Union. The exercise will involve the US Navy's 6th Fleet and the US Air Force's 15th Air Force.

In Durham, a Ballpark Has the Leading Role

By Mark I. Pinsky Los Angeles Times Service DURHAM, North Carolina — The real star of "Bull Durham," a U.S. movie hit about a hapless minor league baseball club, is not Kevin Costner or Susan Sarandon. It's the ballpark, which has green grass and no dome, and almost died of decrepitude and neglect.

And whereas critics have dubbed the movie a "sacred comedy," the real story here is a romance between a team and a town. "This is a special town," said Miles Wolff, owner of the Durham Bulls, who play in the stadium.

"It's very personal," said Wolff, looking over the field on a recent afternoon. "You can touch the players. It's one of the great minor league ballparks."

Thom Mount, the producer of the film, which he says provides an intimate, "emotional form" in which to tell the story, said: "There's no doubt that the ballpark is one of the leads of the movie."

Wolff acknowledged that he is a lucky man, selling out the municipally owned Durham Athletic Park, with its towers and turrets, nearly every home game since the movie was released in mid-June.

But he notes that his luck began well before "Bull Durham" put his ballpark on the map. When Durham, home of Duke University and known primarily for its devotion to Atlantic Coast Conference basketball, was the only franchise he could find on the market.

Ten years ago, Wolff paid \$2,500 to revive the historic franchise, which began in 1902 and over the years produced such stars as John Vander Meer, Rubeen, and Greg Lutzkat. At the time, however, the stadium was a down-at-the-heels facility in the middle of a slum, with a team that in its last years could not draw fans, even when it seemed to change its name and major league affiliation regularly.

The first season under Wolff, the club got 12 straight victories and sent 10 players from the Carolina League to the major leagues with the Atlanta Braves. Wolff came up with a colorful, foul-mouthed, tobacco-

spitting manager named "Dirty Al" Gallagher, who helped capture the city's imagination. In baseball, as in life, timing can be crucial. "Durham was looking for something," Wolff said. "It needed an identity. A lot of people who lived here really liked Durham and they were looking for something to latch onto, something where everyone could get together."

Wolff had spent the previous 10 years learning how to run minor league clubs around the South before he came to Durham. With the help of Mount, a minority stockholder and Durham native who was then riding high in the Hollywood film community, Wolff had new uniforms and a new logo — a bull bursting through a muscular "D" — designed by entertainment industry professionals.

Whatever the combination of luck, timing and good management, Durham and the Bulls clicked. College students and young professionals mingled easily in the stands with factory workers. Because of Durham's hot summer climate, all but a few early adults were played at dusk and adults increasingly brought their children.

"Bull Durham" — the title refers to a famous local brand of smoking tobacco — is about a woman, played by Sarandon, who teaches English part-time at a local community college but whose real passion is baseball. Each season she chooses a promising member of the Durham Bulls as a companion and coaches him in baseball's subtleties.

Today, Durham is a boom town, and the old ballpark is surrounded by new construction and renovation, including a hotel and convention center, an arts center and multiplex theater and an office tower.

To upgrade the franchise to Triple-A, Wolff is asking the city to help build a large, \$8 million, 10,000-seat stadium, and he has the backing of municipal authorities.

He has told the architects to try to recreate the intimacy and atmosphere of the old stadium and "keep the fans very close to the action," but he said that "we may not be able to duplicate it."

Gilder Sets PGA Pace With Course Mark

Compiled by Our Staff From Dispatches EDMOND, Oklahoma — The 150 players who teed off in the first round of the 70th PGA Championship here continued to give the Oak Tree Golf Club course mixed reviews as they sweltered in the heat.

Bob Gilder took the first-round lead Thursday, setting a course record of five-under-par 66 in temperatures that unofficially reached 101 degrees Fahrenheit (38 degrees centigrade).

Paul Azinger, recovered from back problems that made him a doubtful starter earlier in the week, was tied for second with Chip Beck, John Cook and Nick Faldo at 67. British Open champion, matched par at 71.

Jack Nicklaus, holder of a record five PGA titles, took a double-bogey on the ninth and shot a 72. Curtis Strange, the U.S. Open champion, also shot a 72, as did Tom Watson, who needs a victory in this tournament to become only the fifth man to make a career

sweep of the Masters, the U.S. and British Opens and the PGA. Gilder praised the 7,015-yard (6,400-meter) course built by Pete Dye and considered by its real-estate promoters to be the most difficult in the country. But the course was far from being the toughest course in the land Thursday because there was little wind and the greens were soft and slow.

More than two dozen players broke par, including Larry Nelson, the defending champion, and Ben Crenshaw, who were in a large group at 70. Seve Ballesteros, the British Open champion, matched par at 71.

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SCOREBOARD

BASEBALL

Thursday's Line Scores

Table with columns for team names and scores. Includes American League and National League games.

Major League Statistical Leaders

Table listing statistical leaders for various categories like batting average, home runs, etc.

SCOREBOARD

BASEBALL

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Table with columns for team names and scores. Includes American League and National League games.

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Table with columns for team names and scores. Includes American League and National League games.

Major League Standings

Table showing league standings for American League and National League.

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Table showing league standings for American League and National League.

SIDELINES

Berkoff Sets World Backstroke Mark

AUSTIN, Texas (AP) — David Berkoff set a world record in the men's 100-meter backstroke Friday in qualifying for the final at the U.S. Olympic swimming trials here. Berkoff's time of 54.95 seconds was five-hundredths of a second faster than the mark set by Igor Poliansky at the Soviet Olympic trials on July 16. On Thursday, Matt Cettinski and Tracey McFarlane shattered U.S. records. McFarlane clocked 1 minute, 8.91 seconds in the women's 100-meter breaststroke, breaking the record of 1:09.53. Cettinski's time of 3:46.06 in the 400-meter freestyle shattered the 1986 mark of 3:49.41.

WBA Overrules Move to Void Bout

CARACAS, Venezuela (AP) — The World Boxing Association said Friday it would court Tomas Molinaras as world welterweight champion despite the New Jersey State Athletic Commission's decision to void his July 29 victory over Marion Sturling. The Colombian Tomas Molinaras, now champion of the welterweight division of the WBA, was recognized by the principal authorities of this organization, the WBA said from its headquarters in Venezuela. On Thursday, the New Jersey athletic commissioner said Molinaras' victory was void because the punch came after the sixth-round bell.

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